

February 13 2012

The Common Council met as the Water Utility Board at 7:00 pm on the above date in the Meeting Room at City Hall Annex with Mayor Tucker presiding and members Shelton, Hoehn, Higgins, Fuelling attending, Member Curtis was absent. Others attending were Supt. Gray, Supt. Givens, Chief Dixon, Attorney Higgins, Chief Beloit, Comm. Maynard, John Taylor with Econ. Development, Ed Adams, Lindsay Hoehn, Tom Hogan, Larry Williams, Ann Fischer, Nancy Sexton, Johanna Denning, Nick Wilderman, and Angela Geraldts with the Mt. Vernon Democrat.

Mayor Tucker called the meeting to order by stating members were either mailed or hand carried copies of the minutes of their previous meeting and by asking if there were any corrections or additions. He added if not, he entertains a motion to waive their reading and to approve the minutes as presented.

Board Member Higgins moved the reading of the minutes be waived and they approved as presented. Seconded by Member Shelton

Mayor Tucker asked if there was any discussion.

There was none.

Mayor Tucker stated all those in favor of the motion should signify in the affirmative; and following the vote, he reported the motion carried unanimously.

Mayor Tucker requested action on the claims presented.

Board Member Fuelling moved the claims presented by allowed for payment. Seconded by Board Member Higgins.

Mayor Tucker asked if there were any discussion?

There were none.

Mayor Tucker stated all those in favor of the motion should signify in the affirmative; and following the vote, he reported the motion carried unanimously.

\*\*\*\*\*CLAIMS\*\*\*\*\*

Mayor Tucker stated that Water Chairman Curtis is absent. Mayor Tucker asked if Supt. Gray had anything to report.

Supt. Gray stated he would like permission to attend the AWWA Conference in Indianapolis on February 20, 21, and 22<sup>nd</sup>. Supt. Gray stated he would like approval for use of a city credit card and use of a city vehicle to attend the conference.

Board Member Higgins made a motion to give Supt. Gray permission to attend the AWWA Conference on February 20, 21 and 22<sup>nd</sup> and approved use of the city credit card and city vehicle. Seconded by Member Fuelling.

Mayor Tucker asked if there were any discussion?  
There were none.

Mayor Tucker stated all those in favor of the motion should signify in the affirmative and following the vote, he reported the motion carried unanimously. He then asked if there were any questions?

There were none.

Supt. Gray then stated that the Board has before them the year end reports. Supt Gray mentioned a few items from his year-end report.

Supt Gray stated in 2011 the Water Dept. began to see an increase in Total Trihalomehtan (TTHM) and Haloacetic Acids formation in the clear well. He stated as they were investigating this issue, they noticed a red biofilm on the tank walls. He stated he believes that this is iron metabolizing bacteria. He stated this is harmless. Supt. Gray stated their plans are to take the tank out of service, pressure wash the entire interior and treat the walls with Hydrogen Peroxide to kill the remainder.

Supt. Gray then stated in 2010 they had believed they had a lighting strike on the intake pump. He stated that this was not the case that they had a total failure of the #3 intake pump. He stated they are currently unable to replace the pump because of damage to the check valve and pipe assembly. He stated they can't repair the damage without taking the entire plant down for 4-8 hrs. He stated they may have to bring Culy or another company to do a hot tap on the 16 inch line coming from the temporary intake. He stated this would allow them to replace the damage without stopping production with no water loss no pressure loss.

Supt. Gray stated the High Service Pump Area was cleaned and repainted.

Supt. Gray stated currently ten bacteria samples have to be taken once a month to the Vanderburgh County Health Department which only takes samples from Monday thru Thursday. Supt. Gray feels that they can do this in their lab. He stated with a minimum investment that they could be certified for testing and do this on site. He stated all they have to have is a separate area for this not a separate lab.

Supt. Gray stated that Krofta #2 has been dismantled. He stated he has taken parts from Krofta#2 and replaced bad parts on Krofta#1 as well as reprogrammed it for around \$5,000. He stated with a little more work they should be able to have this unit running a little bit faster.

Sup't Gray stated the backwash sludge treatment has been taken care. He stated this is no longer discharging into the Ohio River. He stated this water is being processed.

He stated the hydrant flushing was done in both April and August of this year.

Supt Gray stated 250 meters are chosen at random each summer to pull and have tested for accuracy. He stated the current average is 98.5%.

Supt. Gray stated what they are working on is unauthorized usage. He stated they are still having trouble with companies hooking up to fire hydrants outside of the city limits without authorization. He stated he is looking for new technologies to stem the theft of water from these sources.

Supt Gray stated they are still having issues with the telemetry system in order to communicate with the booster stations and water towers. He stated they are having a lot of interference. He stated what he would like to do is go with a digital system.

Supt Gray stated with leak repairs the biggest problem is that they are cutting pipe by hand. He also stated if they had the proper saws they could cut the pavement much faster and cut the repair time down. He stated he could cut repair time down with 3 items. The first item is a trailer mounted dry prime pump, the second item walk-behind pavement saw and the third is a pneumatic cutting saw. He stated at the next meeting he will be bringing in some quotes.

Supt Gray asked if anyone had any questions?

Board member Fuelling stated that if anyone had saw the hole on Parke Street they would know that they definitely need the proper equipment. Board member Fuelling stated he can't believe how fast it got fixed.

Mayor Tucker asked if anyone had any questions for Supt Gray.  
There were none.

Mayor Tucker asked if the Clerk-Treasurer had any Communications for the Board.  
Clerk-Treasurer Dike replied not at this time.

Mayor Tucker stated they were now ready for legals. Attorney Higgins stated that tonight the Council will be presented with the 1<sup>st</sup> reading of Bond Ordinance for the Water Works Improvement Project. She stated as a courtesy she would like for the Utility Board to ask for a recommendation to the council to adopt the ordinance.

Board Member Higgins made motion to pass on to the Council the Bond Ordinance for the Water Works Improvement Project.  
Seconded by Board Member Shelton.

Roll Call vote was taken by Clerk-Treasurer Dike; Member Shelton yes, Member Fuelling yes, Member Hoehn yes, Member Curtis absent, Member Higgins yes.

Mayor Tucker reported the motion carried unanimously.

Mayor Tucker asked if anyone from the audience would like to present anything to the Utility Board.  
There was no response.

Mayor Tucker asked if there was any Old Business.  
There was no response.

Mayor Tucker asked if there was any New Business.  
There was no response.

Mayor Tucker stated if there was no further business, he entertains a motion to adjourn.  
Member Higgins moved the meeting be adjourned.  
Seconded by Member Fuelling.

Mayor Tucker stated all those in favor of the motion should signify in the affirmative; and following the vote, he reported the motion carried unanimously and adjourned the meeting.

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John Tucker  
Mayor

ATTEST:

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Denise Dike  
Clerk-Treasurer

The Common Council met immediately following the Water Utility Board on the above date in the meeting Room at City hall Annex with Mayor Tucker presiding and Council Members Shelton, Hoehn, Higgins, Fuelling attending. Council Member Curtis was absent. Others attending were Supt. Gray, Supt. Givens, Chief Dixon, Attorney Higgins, Chief Beloat, Comm. Maynard, John Taylor with Econ. Development, Ed Adams, Lindsay Hoehn, Tom Hogan, Larry Williams, Ann Fischer, Nancy Sexton, Johanna Denning, Nick Wilderman, and Angela Geraldts with the Mt. Vernon Democrat.

Mayor Tucker called the meeting to order by stating members were either mailed or hand carried copies of the minutes of their previous meeting and by asking if there were any corrections or additions. He added if not he entertains a motion to waive their reading and to approve the minuets as presented.

Councilman Fuelling moved the reading of the minutes be waived and they be approved as presented. Seconded by Councilwoman Shelton.

Mayor Tucker asked if there was any discussion?

There was none.

Mayor Tucker stated all those in favor of the motion should signify in the affirmative; and following the vote, he reported the motion carried unanimously.

Mayor Tucker stated they will now hear the reports of the Standing committees.

**Street and Light Chairman Fuelling** stated he has no report.

Comm. Maynard stated he has given the Council the report on the traffic count that he did at second and water. He stated he took reports at two different locations on Water and two locations on Second. He stated if they would like to look at the report he would answer any questions at the next meeting. Comm. Maynard also stated has also given the Council his year end report. He stated if they wanted to look it over he would answer any questions they had on it at the next meeting.

Mayor Tucker asked if there was any discussion?

There was none.

**Police and Dog Chairman Shelton** stated she had received a complaint about semi's running the stop sign at Bluff and Kimball. She stated she has already discussed this with Chief Beloit.

Chief Beloit stated he had no report.

Mayor Tucker asked if there was any discussion?

There was none.

**Fire Chairman Higgins** stated she has no report

Chief Dixon stated he has no report.

Mayor Tucker asked if there were any questions?

There were none.

**Sewer Chairman Hoehn** stated he has no report.

Supt Givens stated they have his year end report in front of them if they have any questions. Supt Givens made mention to his report by saying they are still working with Bernardin Lochmueller & Associates, Inc., working toward the completion of their Long Term Plan. He stated that on July 5<sup>th</sup> 2011 phase II officially started. Supt Givens stated at the bottom of page one lists the different seminars, licensing and certificates he and his employees have been too and received.

Supt. Given stated on page 2 it tells about the Sludge press was in operation for 44 days in 2011. He stated in Off Plant Operations the Camera Truck was used a total of 10 times this year. Supt Givens stated the Vac-Con truck went out to flush and maintain lines a total of 230 times this year. He stated on April 9<sup>th</sup> the Farmersville lift-station was hit by lightning burning up a Vectren electric meter causing both sewage pumps to go down. He stated it was a pretty good year with repairs. Supt Givens stated Danny Moss does a good job keeping things maintained. Supt. Givens stated the last page describes upcoming plans. Supt Givens told the Council if they want to look over it if they have any questions, to let him know.

Councilman Fuelling asked if part of the hold up on Parke Street was the companies boaring broke down for a while and they had to get it repaired. Supt Givens stated another problem was the mud.

Mayor Tucker asked if there were any questions?

There were none.

Mayor Tucker stated they have received the financial reports. He asked if there were any questions for Clerk-Treasurer Dike

There was none.

Mayor Tucker asked if the Clerk-Treasurer had any Communications for the Council?

Clerk-Treasurer Dike replied not at this time.

Mayor Tucker stated they are now ready for the legal Portion of the Agenda. Attorney Higgins stated the first thing they need to do is to have the public hearing on the Ordinance Adopting Additional Appropriation in the Edit Fund of the City of Mt. Vernon Indiana. She stated they have had first hearing on it at that last meeting.

Mayor Tucker called the Public Hearing on the Ordinance Adopting Additional Appropriation in the Edit Fund to order at 7:22pm and open the floor to anyone in the audience who wishes to discuss the appropriations. He stated the appropriations are as follows:

100,000	Demoloition
30,000	Transfer to Po Co Economic Development
3,000	Asbestos
125,000	Riverfront Improvements
35,000	Park and Rec
293,000	Total

Mayor Tucker stated he will open up the discussion to anyone in the audience who would like to discuss the additional appropriations?

There was no response.

Mayor Tucker announced the Public Hearing closed at 7:26pm.

Attorney Higgins stated the ordinance is now before the Council for second reading.

Councilman Hoehn makes a motion to adopt an Ordinance Adopting Additional Appropriations in the Edit Fund of the city of Mt. Vernon , Indiana.

Seconded by Councilwoman Shelton

Mayor Tucker asked if there was any discussion?

There was none.

Roll Call was taken by Clerk-Treasurer Dike; Councilwoman Shelton yes, Coucilman Fuelling yes, Councilman Hoehn yes, Councilman Curtis –absent, Councilwoman Higgins yes.

Attorney Higgins stated it was unanimous, it is now up to the Council you have had public hearing which was a requirement and second reading you could wait and have 3<sup>rd</sup> reading at the next meeting in February or you could suspend the rules she stated it is up to the council.

Councilwoman Higgins makes motion to suspend the rules

Seconded by Councilman Fuelling.

Mayor Tucker asked if there was any discussion?

Councilman Hoehn stated he would like to wait a month pending whatever comes out of the budget deficient discussions. He stated he doesn't know how the monies are going to play back into that.

Councilman Hoehn state he would like to see how things fly before submitting to that. Councilman Hoehn asked if there is anything immanent that has to be done in the next two weeks?

Councilman Fuelling asked what baring does one have on the other? He stated he doesn't understand how one affects the other. Councilman Hoehn stated if there is shortfall in the budgets we might need the Edit money to pick that up. Councilman Fuelling stated we will still have that. Mayor Tucker stated that the budgets are based on property taxes the edit fund is something extra we get every month.

Mayor Tucker stated we knew this was going to happen with the budgets we just didn't know it was going to be this bad. He stated the hardest hit was the street department. He stated when we do budgets we want to try to do good for all employees and for the public as far as projects.

Councilman Hoehn stated his only hesitation is that the perfect storm is not yet over. He stated he would like to look at net asset evaluation to see if next year is going to be like this year. He stated he would hate to be wishing they could have that back.

Attorney Higgins stated when they suspend the rules they must have 4 votes.

Councilman Fuelling stated these are items we need. I don't see the need to put it off.

Councilman Hoehn stated he supports this 150% , but he would like to get a look into next years budgets in that two week window. He stated he not against this ordinance at all.

Councilman Fuelling stated he is not going to change his mind. He feels we need to get this done. He stated he doesn't feel that is going to change how much money they take out of there. Councilman Hoehn asked if there are any projects that have to be done in the next two weeks. Councilman Fuelling stated the Park and Rec needs their money pretty quickly and the demolition they have been waiting a year. Councilman Hoehn stated he would like to look at the numbers in the next two weeks. Councilman Hoehn asked if the numbers show a deficient of \$300,000 next year would he still feel the same. Councilman Fuelling stated I would feel the same and wouldn't change anything.

Councilwoman Higgins agrees.

Councilman Hoehn asked Councilwoman Shelton what she thought. Councilwoman Shelton stated she feels we need to move forward. She stated the edit money goes in every month we would have money to draw from.

Mayor Tucker asked if there was any more discussion?

There was none.

Mayor Tucker asked for a roll call vote.

Roll Call vote was taken by Clerk-Treasurer Dike; Councilwoman Shelton yes, Councilman Fuelling yes, Councilman Hoehn yes, Councilman Curtis-absent, Councilwoman Higgins yes.

Councilwoman Higgins makes motion to pass on 3<sup>rd</sup> reading the Ordinance Adopting Additional Appropriations in the edit fund of the city of Mt. Vernon Indiana  
Seconded by Councilman Hoehn

Mayor Tucker asked if there was any discussion?

There was none.

Roll call vote was taken by Clerk-Treasurer Dike; Councilwoman Shelton yes, Councilman Fuelling yes, Councilman Hoehn yes, Councilman Curtis- absent, Councilman Curtis- absent, Councilwoman Higgins yes.

Mayor Tucker reported the motion carried unanimously.

Clerk-Treasurer Dike reported the ordinance is number 12-01 at 7:35.

Attorney Higgins stated the next item on the Legal portion of the agenda is the 1<sup>st</sup> reading of the resolution establishing the west school storm water fund. She stated this is just a fund needed for the Clerk-Treasurer to be able to receive grant proceeds and to make payments out of. She stated we need to establish the West School Stormwater Fund in order to facilitate this grant.

Councilman Hoehn makes a motion to establish the resolution establishing the West School Stormwater Fund of the City of Mount Vernon , Indiana.  
Seconded by Councilman Fuelling.

Mayor Tucker asked if there was any discussion?  
There was none.

Roll call vote was taken by Clerk-Treasurer Dike: Councilwoman Shelton yes, Councilman Fuelling yes, Councilman Hoehn yes, Councilman Curtis – absent, Councilwoman Higgins yes.

Mayor Tucker reported the motion carried unanimously.

Clerk-Treasurer Dike reported the Resolution was numbered 12-02 7:40.

Attorney Higgins stated the next item on the agenda is the ordinance that will grant permission to follow thru on phase 3 of the water project. She stated this will finally turn long term financing for the bans. This ordinance will also provide the bonding of up to \$15, 3000,000 for the finalized payment on phase 2 and financing on phase 3. She stated this will be done as an addendum performance contract, if you pass the ordinance this addendum will come to you at the next meeting. Attorney Higgins stated you have already had the rate study from Umbaugh and Assoc., which showed you could bond this amount currently without the rate effect on the rate payers for the water utility. This ordinance will put that into play and you have it for first reading tonight. She stated if it is approved tonight on first she stated we will come back in two weeks for 2 and 3 reading to take advantage of some low interest rates.

Councilman Hoehn makes a motion to pass the ordinance first reading bond ordinance Water Works Improvement project.  
Seconded by Councilwoman Shelton.

Mayor Tucker asked if there were any discussion?  
There were none.

Roll Call vote was taken by Clerk-Treasurer Dike; Councilwoman Shelton yes, Councilman Fuelling yes, Councilman Hoehn yes, Councilman Curtis- absent, Councilwoman Higgins yes.

Mayor Tucker reported the motion carried unanimously. Attorney Higgins stated you will have this back at the next meeting in February.

Attorney Higgins stated the next item on the agenda is the reduction of the city budget, she stated Clerk-Treasurer Dike would talk about.

Clerk-Treasurer Dike told the Council on January 30<sup>th</sup> the Clerk's Office received the budget order from the Department of Local Government and finance. The budgets were cut do to circuit breaker



credits and the reduction of property tax collections. The Circuit breaker credits started in 2010, it puts caps on property taxes that ensure individuals don't pay more than a fixed percent of their properties gross assessed value in property taxes which is 1%. Clerk-Treasurer Dike stated before this is went into effect the homestead property owners were entitled to a cap on 2% of gross assessed value of property. Clerk-Treasurer Dike stated there is a reduction in the general fund of \$217,144 in the Park and Rec of \$37,594 and MVHF of \$145,824 for a total budget cuts of \$400,562. She stated on the handout the Council was given are the different budgets and where the Clerk's Office believes they can cut the budgets to reduce the total budget amounts. She stated the department heads have looked at the cuts and are all alright with them. She stated that the Department of Local Government and Finance stated no reduction ordinance is needed, but Council does need to make a motion to approve the cuts.

Councilman Hoehn makes motion we agree with DLGF and make the necessary budget cuts.  
Seconded by Councilwoman Higgins

Councilman Hoehn states he is concerned about the budget process and what got us here. And what the correct action is to keep us from getting here again. He stated there is normally 4 things that start playing out when you start trimming budgets, first you do capital items, Benefits, Pay cuts and then lay offs. Councilman Hoehn stated he does not want to get into the last two sections, but stated we are already into the first two. He stated if you look at the year end report we didn't do much paving last year and this is going to keep us from doing much this year. Councilman Hoehn stated our budget process needs to be a little more forward looking. He stated he believes there are guidelines on the state level and DLGF that would help keep us out of this situation. He stated his fear is that this is not over and the assessed values did take a hit and property taxes are a year behind. This took away our increase year and then some. Councilman Hoehn stated we started the budget process on July 8<sup>th</sup> and he would like to get started earlier this year. He stated maybe even get professional help if necessary. He stated he has reason to believe what happened this year will happen again next year. He is afraid we will be in worse shape next year.

Mayor Tucker asked if there were any more discussion?  
There was none.

Roll call vote was taken by Clerk-Treasurer Dike; Councilwoman Shelton yes, Councilman Fuelling yes, Councilman Hoehn yes, Councilman Curtis- absent, Councilwoman Higgins yes.

Mayor Tucker reported the motion carried unanimously.

Mayor Tucker stated that John Taylor with the Econ. Development is here to address the Council with updates.

John Taylor with the Econ. Development approached the Council to give them updates as to what they did last year and what they will be doing this year. Mr. Taylor started by saying that last year they did 56 projects for a total 2.5 billion dollars and created 7,000 jobs. He stated that buildings that are ready for companies to move into are the biggest draw. He stated the Kmart building is sitting empty and the Bristol Meyers building is not available even though it says it is. He stated companies are looking for an average of 246,000 square foot for a building. Mr. Taylor stated if we had available buildings that would attract potential companies. He stated that jobs such as food processing, automotive and call centers have looked in this area.

Mr. Taylor stated he has reached out to the owner of the Kmart building and is waiting for them to get back with him, to see if they could get it cleaned and then get a price as to what it would take to make it into a call center. Then put the cost of the remodel into the selling price.

Mr. Taylor went on to say we have had positive things happening here. Our Port is up 12% in tonnage which has a lot to do with the ethanol plant. He stated DDG is up ten times. He stated that Sabic, Bristol Meyers and Cargill have all had expansions in the past year. He also stated that there is a new business coming on Leonard Road that will grow lettuce and will have distribution everyday throughout the year.

Mr. Taylor stated what is popular right now are shovel ready sites. He stated these are sites that cities have that are sites that have everything already lined out for construction. These sites already have all the permits needed. He stated these sites are sites that could be purchased on a Friday and on Monday everything is ready for construction to begin. He stated that there are 58 shovel ready sites in the Indiana right now. He stated that the state does not pay for this.

He stated he is excited to work with the new chamber director and would love to be able to grow the chamber.

Mayor Tucker asked if there were any questions of Mr. Taylor?  
There were none.

Mayor Tucker asked if anyone else from the audience would like to address the council?  
There was no response.

Mayor Tucker asked if there was any old business?  
There was no response.

Mayor Tucker stated under new business on the agenda we have a decision on Utility and Council Meeting scheduled for 3/26/12. Mayor Tucker went on to say this is spring break week and the discussion was brought up about canceling the 3/26/12 meeting. He stated that the Clerk-Treasurer will be on vacation.

Councilman Fuelling makes a motion to cancel the Utility and Council Meetings on 3/26/12.  
Seconded by Councilman Hoehn

Mayor Tucker asked if there were any discussions?  
There were none.

Mayor Tucker stated all those in favor should signify in the affirmative and following the vote, he reported the motion carried unanimously.

Mayor Tucker stated they will now hear the reports of the Districts.

**1<sup>st</sup> District Councilman Shelton** stated she has no report

**2<sup>nd</sup> District Councilman Fuelling** stated he has no report, but wanted to thank the Clerk's office for their work on the trimming of the budgets and also thanked the department heads.

**3<sup>rd</sup> District Councilman Hoehn** stated he has no report

**4<sup>th</sup> District Councilman Curtis** was absent

**Councilwoman-at-large Higgins** stated she would like to thank the business owner's downtown for all the work that they have done to their business. She thanked the West Side Laundry, Cox Group, Dean's, Alles Bros. and Gerton's.

Councilwoman Higgins stated she wanted to let everyone know that in 2016 Mt. Vernon will be having its 200<sup>th</sup> birthday. She stated she is working on quite a party for the event, and the ball has started on that. She stated she will have all the plans ready in 2015. She stated the first step will involve the Mayor and some type of contest.

Mayor Tucker asked if anyone had any questions for Councilwoman Higgins?  
There were none.

Mayor Tucker stated under Mayor's Announcement he wanted to mention that they have sent in an application for a Community Stellar Program. He stated this is the first step of several. The Mayor stated they found out about this Friday the 3<sup>rd</sup> when he was at S.W. Economic Development Coalition looking for grants. He stated the City of Mt. Vernon is made up of 56% of people who are on low or fixed income. He stated they were in search of a grant or something to help them when they came across this. The Mayor stated the application was due in on the 10<sup>th</sup>. He stated this is an 11.3 million dollar program and if they are awarded this it could help us with:

- A new Police/Fire Station
- New Senior Citizens Center
- BrittleBank Park Improvements (pool, tennis courts)
- Main Street Improvements (lighting, trails)
- Port (new truck traffic exit access)
- Street Paving

The Mayor told Attorney Higgins he appreciated all her help on the application. Attorney Higgins stated that 40 communities have applied.

Mayor Tucker stated the next step is to hear who has made the short list, site visits and then they will have to expand each project. Mayor Tucker stated that one community received 27 million dollars last year.

Mayor Tucker mentioned on a different issue that Phase 2 was awarded on the 8<sup>th</sup> for 1,010,000.00. He stated it is now in the hands of INDOT.

Mayor Tucker stated if there is no further business he entertains a motion to adjourn.

Councilman Fuelling moved the meeting be adjourned.  
Seconded by Councilwoman Higgins.

Mayor Tucker stated all those in favor of the motion should signify in the affirmative; and following the vote, he reported the motion carried unanimously and adjourned the meeting.

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John Tucker  
Mayor

ATTEST:

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Denise Dike  
Clerk-Treasurer